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BEFORE THE U.S DEPARTMENT OF TRANSPORTATION WASHIGTON, D.C. 20590

DEPT. OF TRANSPORTATION DOCKETS

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In the Matter of)	
)	Dockets Nos. OST- 97-2881 - 3 47
Computer Reservations Systems (CRS))	OST- 97-3014-/C 2
Regulations Statements of General Policy)	OST- 98-4775-149
·)	OST-99-5888- 39
)	

COMMENTS OF TACA INTERNATIONAL AIRLINES, S.A. ("TACA")

Communications with respect to these Comments should be sent to:

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Director of Legal Affairs for TACA International Airlines, S.A.	Counsel for TACA International Airlines, S.A.

BEFORE THE U.S DEPARTMENT OF TRANSPORTATION WASHIGTON, D.C. 20590

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COMMENTS OF TACA INTERNATIONAL AIRLINES, S.A. ("TACA")

In reference to the rules of Marketing Booking Data (MIDT)

- a) A ban on the release of data on bookings made by individual Travel Agencies. Data for specific geographic areas or markets that would show sales by airline for each route would be available for sale.
- b) A ban on the release of data on bookings for airlines that have not consented to the release of data on their bookings

Comments:

MIDT has been intensely used by TACA since 1995 and is now an essential part of TACA's decision making process. TACA uses MIDT for a wide range of activities that include Agency Performance Measurement, Demand Forecasting, and measurement of Code-Share synergy potential.

In a context of substitutions of agency commissions by incentives based on loyalty, TACA needs MIDT in order to provide agencies with a fair evaluation on their performance. Without a universal form of measurement, TACA will have to rely on other subjective sources in order to continue with its programs of overrides and incentives.

TACA's Demand Forecasting based on MIDT data is used for Schedule Modeling, Revenue Budgeting and day-to-day business studies. Without MIDT TACA would not be able to determine opportunities to fly to new destinations and benefit those with added service options. As well, TACA's day-to-day business studies would be severely hampered; for example, TACA measures pricing promotions by distinguishing between real growth in the market and gain of market share. In this way, TACA can focus on achieving the right balance between customer choice and industry revenues.

In conclusion, if agency level information is not available in MIDT and certain competitors withdraw from the pool of carriers sharing information, TACA will deem MIDT data as useless. Without MIDT, TACA predicts that carriers will focus inwards and become more reactive and less proactive. This will cause carriers to upset a delicate balance in the industry by engaging easily in price wars and therefore taking less chances to stimulate markets.

TACA recommends that instead of reducing MIDT's value, that DOT helps small and medium size carriers attain it by letting the CRS's offer differential pricing based on company size.

Respectfully subshitted,

John R. Brimsek

Counsel to TACA International Airlines,

S/A.

March 13, 2003